

Message Text

UNCLASSIFIED

PAGE 01 SAN JO 04470 251947Z

73

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 RSC-01 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-03 SIL-01 OMB-01 PA-02 PRS-01 USIA-15

/069 W

----- 106364

R 251820Z NOV 74

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC 8657

UNCLAS SAN JOSE 4470

E.O. 11652: N/A

TAGS: EFIN, CS

SUBJECT: COSTA RICAN CENTRAL GOVERNMENT BUDGET FOR
CALENDAR YEAR 1975

REF: CERP 9200

SUMMARY. THE COSTA RICAN CENTRAL GOVERNMENT BUDGET FOR
CALENDAR YEAR 1975 IS CURRENTLY BEING DEBATED BY THE
NATIONAL ASSEMBLY. BY STATUTE, ASSEMBLY ACTION ON THE
BUDGET MUST BE TAKEN BY NOVEMBER 30. THIS YEAR'S BUDGET
IS 40 PERCENT HIGHER THAN THE ORIGINAL 1974 BUDGET BUT LESS THAN
ACTUAL EXPENDITURE FOR 1974. THE NEW BUDGET DOES NOT SHOW
ANY OBVIOUS CHANGE IN PRIORITIES FROM THAT OF PREVIOUS
YEARS, WITH THE LARGEST OUTLAYS EARMARKED FOR THE MINISTRIES
OF EDUCATION AND PUBLIC WORKS. END SUMMARY.

1. THE 1975 BUDGET, CALLED THE ORDINARY CENTRAL GOVERNMENT BUDGET,
IS ABOUT 40 PERCENT HIGHER THAN THE ORDINARY BUDGET APPROVED FOR
1974. ACTUAL GOVERNMENTAL EXPENDITURES FOR 1974 WERE MUCH
HIGHER THAN ORIGINALLY OUTLINED, HOWEVER, AND WHEN ONE
COUNTS IN THE SEVERAL EXTRAORDINARY BUDGETS APPROVED
DURING THE COURSE OF THE YEAR, OVERALL CENTRAL GOVERNMENT
SPENDING FOR 1974 WILL AMOUNT TO AROUND \$280 MILLION
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SAN JO 04470 251947Z

(2.4 BILLION COLONES), I.E. SLIGHTLY MORE THAN THE CURRENT

1975 SUBMISSION OF \$276 MILLION.

2. THE MINISTRIES EARMARKED FOR THE HIGHEST PERCENTAGES OF THE TOTAL BUDGET ARE: EDUCATION - 27 PERCENT (\$75 MILLION); PUBLIC WORKS - 28 PERCENT (\$65 MILLION); FINANCE - 19 PERCENT (\$53 MILLION) AND HEALTH - 6 PERCENT (\$17 MILLION). SERVICE OF THE PUBLIC DEBT SHOULD ACCOUNT FOR ROUGHLY 16 PERCENT (\$44 MILLION), I.E. UP BY ABOUT 26 PERCENT FROM 1974 AND REFLECTING A WORRISOME TREND OF PUBLIC INDEBTEDNESS, ESPECIALLY TO EXTERNAL SOURCES.

3. CENTRAL GOVERNMENT REVENUES FOR 1975 ARE PROJECTED AT \$276 MILLION, INCLUDING: \$252 MILLION IN CURRENT REVENUES; \$16 MILLION IN BOND SALES; AND \$8 MILLION IN FOREIGN BORROWING, I.E. JUST ENOUGH TO COVER CENTRAL GOVERNMENT SPENDING. NEITHER EXPENDITURES NOR INCOME ARE EXPECTED TO REMAIN AT THE PROJECTED LEVEL -- SEVERAL EXTRAORDINARY BUDGETS ARE LIKELY TO BE SUBMITTED DURING THE COURSE OF QO T#

ALONE WITH UPWARD "REASSESSMENTS" ON TAX EARNINGS AND PROBABLE INCREASED FOREIGN BORROWING. IF 1975 FOLLOWS THE TREND SET IN PAST YEARS, THE BUDGET WILL PROBABLY REFLECT AN INCREASE OF SOME 30 PERCENT IN CENTRAL GOVERNMENT SPENDING OVER THE PAST YEAR.

4. THERE IS ONE OTHER THING WHICH IS WORTH KEEPING IN MIND WHEN CONSIDERING THE CENTRAL GOVERNMENT BUDGET, AND THAT IS THAT IT DOES NOT REFLECT THE ENTIRE AMOUNT OF PUBLIC SPENDING IN COSTA RICA. QUITE A FEW SEMI-AUTONOMOUS AND AUTONOMOUS AGENCIES AND ENTERPRISES OPERATE WITHIN THE PUBLIC SECTOR OF COSTA RICA. SOME OF THESE AGENCIES DEPEND ON SUPPORT FROM MONIES ACCOUNTED FOR IN THE CENTRAL GOVERNMENT BUDGET. OTHERS, SUCH AS THE NATIONAL ELECTRICITY INSTITUTE (ICE), DERIVE THE BULK OF THEIR INCOME FROM FEES CHARGED FOR SERVICES WHICH ARE ONLY REFLECTED IN THEIR INDIVIDUAL BUDGETS.

LANE

NOTE BY OC/T: # AS RECEIVED.

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BUDGET
Control Number: n/a
Copy: SINGLE
Draft Date: 25 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SANJO04470
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740342-0115
From: SAN JOSE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741115/aaaaalwi.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: CERP 9200
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 14 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 NOV 2002 by WorrelSW>; APPROVED <14-Nov-2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COSTA RICAN CENTRAL GOVERNMENT BUDGET FOR CALENDAR YEAR 1975
TAGS: EFIN, CS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005